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Financing of the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo

Financing arrangements for the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo for the period from 1 July 2014 to 30 June 2015

Note by the Secretary-General

1. By its resolution 68/287 of 30 June 2014 on the financing of the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), the General Assembly appropriated and assessed on Member States the amount of $1,397,036,000 gross for the maintenance of the Mission for the period from 1 July 2014 to 30 June 2015.

2. Since the budget for MONUSCO for the period from 1 July 2014 to 30 June 2015 (A/68/788) was issued on 7 March 2014 and the General Assembly adopted its resolution 68/287, substantial changes in the cost parameters and assumptions used in the budget have had a significant impact on the approved budget, resulting in additional resource requirements.

3. More than 15 years since its establishment, MONUSCO entered a new phase starting in March 2013. Since that time, the Peace, Security and Cooperation Framework for the Democratic Republic of the Congo and the region has guided a renewed commitment to the political process; the establishment of the new Force Intervention Brigade has provided a focus for heightened efforts in protecting civilians and joint operations with the Armed Forces of the Democratic Republic of the Congo (Forces armées de la République démocratique du Congo — FARDC); and the Mission has undertaken a major shift in both its emphasis and physical footprint, to the eastern provinces of the country. With national elections approaching in 2016, opportunities are nearing for the Democratic Republic of the Congo and MONUSCO to take another step forward towards peace and stability. The recent tempo of security operations and other activities, however, continues to reflect the urgency of the situation and the associated risks.

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4. A planned reconfiguration of MONUSCO forces, including a reduction in troops by approximately 2,000 (10 per cent of the mandated ceiling), did not occur before the beginning of the 2014/15 budget period as had been expected during the budget preparations. Military operations have continued in recent months as part of efforts to remove the armed groups that have been at the heart of the instability in eastern Democratic Republic of the Congo. Those security operations and intensified support to FARDC during 2014/15 have remained a key element of the Mission's commitment to the restoration of State authority in the Democratic Republic of the Congo and the protection of civilians. Although the drawdown of 2,000 troops, along with a number of measures to reconfigure the MONUSCO military force, will commence shortly, the impact of the delay on the budget for the current period is estimated to total $50.5 million. Added costs include reimbursement for higher-than-expected levels of troops and equipment to contributing countries, associated rations and troop transportation and the cost of repatriating equipment during the current budget period.

5. In approving funding for the 2014/15 period, the General Assembly made a number of decisions with significant implications for amounts payable for personnel reimbursement to troop- and police-contributing countries, including an increase in the rate of reimbursement and a new requirement that agreed equipment be deployed and serviceable if contributing countries were to be reimbursed in full for associated personnel. Prior to the start of the budget period, it was estimated that reimbursement costs for MONUSCO would be reduced by $22.6 million for the 2014/15 period because of this new link to a shortfall in contingent-owned equipment. Although the original allotment for MONUSCO for the year was increased substantially for the new rates of reimbursement for troops and police, the associated reductions for personnel reimbursement for absent or unserviceable contingent-owned equipment was instead applied to the Mission's air transportation budget class. This had the effect of partially masking the additional costs associated with the delay in reducing troops, but also incorrectly exaggerated additional costs for the Mission's air operations. While there is no net impact on the Mission's funding for the year, this factor affects the variance explanation for air transportation described below.

6. The table below summarizes the Mission's efforts to reprioritize existing funding to meet baseline requirements. This includes a number of significant pressures that have been addressed. The impact of a few major challenges, however, exceeds the existing financial capacity of MONUSCO to absorb the additional costs through reprioritization as described in the variance analysis below the table. Although totalling $73.5 million in unexpected costs for the 2014/15 period owing to the delayed reduction in troops and the increased cost of national staff salaries, the net requirement for additional funding for the 2014/15 period has been reduced to $38.6 million as a result of lower costs and a commitment to streamlining requirements in other areas.

Additional resource requirements for the period from 1 July 2014 to 30 June 2015

(Thousands of United States dollars)

Category	Apportionment (1)	Total projected expenditure (2)	Variance	
			Amount (3)=(1)-(2)	Percentage (4)=(3)÷(1)
Military and police personnel				
Military observers	47 792.8	43 035.0	4 757.8	10.0
Military contingents	568 831.9	567 561.6	1 270.3	0.2
United Nations police	23 741.8	21 360.2	2 381.6	10.0
Formed police units	32 632.2	25 695.8	6 936.4	21.3
Subtotal	**672 998.7**	**657 652.6**	**15 346.1**	**2.3**
Civilian personnel				
International staff	189 789.3	182 051.8	7 737.5	4.1
National staff	79 102.3	106 571.5	(27 469.2)	(34.7)
United Nations Volunteers	23 209.8	19 957.8	3 252.0	14.0
General temporary assistance	9 681.6	9 681.6	–	–
Government-provided personnel	6 311.1	5 100.0	1 211.1	19.2
Subtotal	**308 094.1**	**323 362.7**	**(15 268.6)**	**(5.0)**
Operational costs				
Civilian electoral observers	–	–	–	–
Consultants	1 165.2	572.4	592.8	50.9
Official travel	8 832.0	7 739.3	1 092.7	12.4
Facilities and infrastructure	88 538.2	87 100.3	1 437.9	1.6
Ground transportation	24 831.5	27 518.4	(2 686.9)	(10.8)
Air transportation	206 472.2	237 897.2	(31 425.0)	(15.2)
Naval transportation	1 455.9	1 432.6	23.3	1.6
Communications	26 282.6	26 282.6	–	–
Information technology	16 618.1	16 618.1	–	–
Medical	2 222.4	2 003.5	218.9	9.8
Special equipment	–	–	–	–
Other supplies, services and equipment	32 525.1	40 434.0	(7 908.9)	(24.3)
Quick-impact projects	7 000.0	7 000.0	–	–
Subtotal	**415 943.2**	**454 598.4**	**(38 655.2)**	**(9.3)**
Gross requirements	**1 397 036.0**	**1 435 613.7**	**(38 577.7)**	**(2.8)**
Staff assessment income	25 544.8	26 822.0	(1 277.2)	(5.0)
Net requirements	**1 371 491.2**	**1 408 791.7**	**(37 300.5)**	**(2.7)**
Voluntary contributions in kind (budgeted)	1 439.3	1 439.3	–	–
Total requirements	**1 398 475.3**	**1 437 053.0**	**(38 577.7)**	**(2.8)**

7. The increased requirement for national staff in the amount of $27.5 million (or 34.7 per cent) is attributable to an increase in the national staff salary scales in January 2014, effective 1 November 2013, which was not factored into the 2014/15 budget estimates. The salary scale increased by 37.5 per cent for National Professional Officers and by 33.7 per cent for national General Service staff in the Democratic Republic of the Congo. Furthermore, the national salary scale for national staff in Uganda was revised effective 1 August 2014, resulting in an increase of 7.3 per cent for National Professional Officers and 9.0 per cent for national General Service staff.

8. The additional resource requirement of $31.4 million under air transportation is attributable to the decision of the General Assembly to reduce the appropriation by $22.6 million inadvertently assigned to the air transportation instead of to military contingents and formed police units as described in paragraph 5 above, with the effect of overstating additional expenditure for air transportation and understating the variance for military contingents and formed police units. In addition, the contractual terms for two Rooivalk helicopters changed, increasing costs by $8 million. While an overrun of $31.4 million is projected, MONUSCO has also begun to reduce its regular flight schedule in an effort to reduce the Mission's reliance on air travel by its own staff, especially with the shift to the eastern provinces. In realizing these gains, the Mission's air fleet will be rationalized through greater opportunities to share aircraft with other field operations in the region.

9. The additional resource requirement under other supplies, services and equipment in the amount of $7.9 million is attributable to: (a) the movement of contingent-owned equipment from a company operating base in Kinshasa to Gemena; (b) an increase in the volume of fuel delivered by road owing to the use of new routes, i.e. Kisangani-Bunia and Beni-Dungu, to transport fuel to the new company operating base in Gemena and two military observer temporary stations in the west; and (c) movement of the remaining United Nations-owned equipment and personal effects from Kinshasa to Goma.

10. The additional resource requirement under ground transportation in the amount of $2.7 million results from the settlement of contractual liabilities related to fuel delivery.

11. The reduced resource requirement of $15.4 million under military and police personnel is primarily attributable to higher projected average vacancy rates, including: a projected vacancy rate of 9 per cent for military observers compared with the rate of 5 per cent that was budgeted, and to the reduction in the mission subsistence allowance rate for the first 30 days by 38 per cent effective March 2015; a projected vacancy rate of 14 per cent for United Nations police compared with the rate of 6 per cent that was budgeted; and a projected vacancy rate of 24 per cent for formed police units compared with the rate of 2 per cent that was budgeted.

12. The Mission has also sought to reprioritize funds to the extent possible, including by limiting recruitment for the remainder of the current budget period to critical and immediate requirements. Vacancy rates for the Mission have, as a consequence, risen during the 2014/15 period. The savings under civilian personnel comprise: (a) $7.7 million under international staff, as the projected average vacancy rate is of 16 per cent for staff in the Professional and higher categories compared with the rate of 10 per cent that was budgeted; (b) $3.3 million under

United Nations Volunteers, as the projected average vacancy rate is of 14 per cent compared with the rate of 7 per cent that was budgeted, and as a result of a freeze on recruitment and the non-replacement of departing United Nations Volunteers to the end of the year; and (c) $1.2 million under government-provided personnel, as the projected average vacancy rate is of 48 per cent compared with the rate of 30 per cent that was budgeted.

13. In order to reprioritize funds and minimize the overall projected overrun, the Mission has limited all official travel and consultancy services to activities that have a direct impact on mandate implementation and immediate operational requirements.

14. Under the circumstances set out in the present note, the requested additional appropriation for MONUSCO, with assessment, for the 2014/15 financial period is critical in ensuring the continued operation of the Mission in support of its mandate.

15. **The actions to be taken by the General Assembly in connection with the financing of the Mission are:**

(a) **To appropriate the amount of $38,577,700 for the maintenance of the Mission for the 12-month period from 1 July 2014 to 30 June 2015, in addition to the amount of $1,397,036,000 already appropriated for the same period for the maintenance of the Mission under the terms of Assembly resolution 68/287;**

(b) **To assess the total amount in paragraph (a) above, in addition to the amount of $1,397,036,000 already assessed for the Mission for the period from 1 July 2014 to 30 June 2015.**